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SUBJECT: NURSES SICK OVER BUDGET CUTS

1. (U) SUMMARY: Nurses have ended a two-week, mass sick-out over proposed budget cuts, but talks continue on resolving their dispute with the GCOB. Nurses protested the GCOB's elimination of an annual salary increase and promised health insurance plan and threatened to strike. The GCOB refused talks until the nurses returned to work June 22, denouncing the sick-out as "illegal". END SUMMARY.

NURSES STAGE MASS SICK-OUT

2. (U) Nurses at public hospitals in New Providence and other islands began to call in sick to work beginning June 8. Mass absences seriously disrupted normal public health services and closed several clinics, which were reportedly back to normal June 22 on the eve of talks with the government. The action came despite an apparent agreement between the GCOB and the Bahamas Nurses Union president, Cleola Hamilton, over planned budget cuts announced by Prime Minister Ingraham May 27 in his annual budget communication.

3. (U) The union chief initially said that nurses understood the government's predicament in the current economic crisis and agreed that the 4% annual pay raise and new health insurance coverage would be deferred this year and re-allocated when the economy rebounds. The union head later complained that the nurses felt snubbed by the government after PM Ingraham said in the House of Assembly "we are not doing it for the nurses, but we are increasing it for the police".

GCOB CONDEMNS "ILLEGAL" ACTION

4. (U) The GCOB first threatened the nurses with pay cuts, then obtained a court injunction June 15 ordering the nurses to return to work. Following a fruitless meeting on June 17 with Health Minister Hubert Minnis, the union chief said nurses were beginning to lose hope in the government and were prepared to fight for their due. PM Ingraham responded that the government would not negotiate with those engaged in what he described as "illegal" activities. According to law, public servants in essential government services, such as nurses and the security forces, may not engage in industrial action.

CONFUSION OVER EXISTING
CONTRACT AS TALKS OPEN

5. (U) Media reports revealed that the industrial agreement between the nurses union and the Public Hospitals Authority, which provided for the pay raise and new health insurance at the root of the dispute, was never properly registered with the Industrial Tribunal. The Director of Labor said the agreement was still in draft form after two years because suggested amendments were never made, rendering the contract legally unenforceable. The GCOB said it intended to honor the "spirit" of the contract, nevertheless. The nurses union said it had asked the Minister of Labor for leave to conduct a strike vote, a statement which the Minister disputed on the eve of direct talks.

6. (U) The Ministers of Health and Labor met with the nurses union

representatives June 23, but did not resolve the dispute. Talks are scheduled to resume July 1. Nurses appear willing to forego the pay increase, but are seeking a transitional agreement on health insurance until the GCOB is able to fund the promised plan, as early as July 2010. The GCOB countered with a proposal for free access for nurses to private ward care at the main public hospital in Nassau for work related illnesses only.

COMMENT

17. (U) The disputed industrial action appears to have ended when the nurses blinked, short of sick days and public sympathy, though they succeeded in dragging the GCOB to the negotiating table. While the opposition has sharply criticized the GCOB's handling of the sick-out, the nurses union does not appear to have garnered widespread public support. Bahamians have not shown sympathy for disruptive union actions in recent years, especially in the current economic climate. Given the circumstances, the nurses are likely to accept the GCOB's alternative proposal.

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